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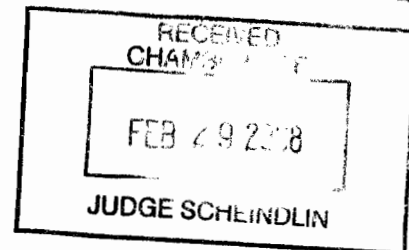
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DATE FILED: 2/29/08

United States Attorney
Southern District of New York

66 Chambers Street, 3rd Floor
New York, New York 10007

February 28, 2008



BY HAND

Hon. Shira A. Scheindlin
United States District Judge
United States Courthouse
500 Pearl Street, Room 1620
New York, New York 10007

Re: In re Dana Corporation, et al., Docket No. 07 Civ. 8160 (SAS)

Dear Judge Scheindlin:

The Government writes respectfully to inform the Court that counsel for the parties have reached an agreement-in-principle to settle all of the Government's environmental claims against the Debtors in this case. We also understand that the representative of the unsecured creditors in the Debtors' chapter 11 cases consents to the proposed settlement. This agreement and any settlement document is subject to the consideration and approval of the United States Associate Attorney General, the official within the Department of Justice with authority to settle this matter. Once completed, the parties' settlement would resolve all of the matters currently before the Court.

Because the parties will require time to work out final settlement language, and time to secure the approval of the Associate Attorney General, the parties respectfully request that the Court suspend discovery in this matter for 15 days, until March 14, 2008, to provide the Court with either notice that the parties have entered into a final, negotiated settlement document, or a further update as to the status of settlement of this matter.

Thank you for your consideration of this matter.

Respectfully,

MICHAEL J. GARCIA
United States Attorney

By:

Pierre Armand / D.F.
PIERRE G. ARMAND
Assistant United States Attorney
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*The parties' request is granted.
Discovery is suspended until
March 14, 2008.*

cc: All counsel (via e-mail)

*DATE:
Feb. 29,
2008*

SO ORDERED:
[Signature]
Shira A. Scheindlin,
USDJ